i. Carving out more and more areas of exploration for offer under various rounds of New Exploration Licensing Policy (NELP)/Coal Bed Methane (CBM) Policy.

ii. Quicker development of discovered oil and gas reserves for enabling commencement of production.

iii. Use of stimulation techniques for increasing production from existing fields.

iv. Application of Enhanced Oil Recovery (EOR)/Improved Oil Recovery (IOR) techniques for increasing recovery from existing fields.

v. Arresting decline from ageing fields,

vi. Acquisition of exploration acreages and oil producing properties overseas to bring in equity oil.

vii. Exploration of gas hydrates, by participating in the Gas Hydrates programme in cooperation with other countries.

viii. Extracting gas from deep-seated and/or isolated coal deposit/lignite resources under the Underground Coal Gasification programme.

ix. Substitution of oil in the transport sector through use of alternative fuels such as Bio-diesel, Ethanol-blended Petrol, etc.

KG basin gas dispute

963. SHRI TARIQ ANWAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government had not intervened in dispute;

(b) if so, the reasons therefor; and

(c) whether Government has taken appropriate action for safeguarding its interest?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) to (c) Government had intervened in the Bombay High Court to seek vacation of the ad-interim injunction of the court on creation of any third party interests or rights in respect of natural gas to be supplied from KG D-6 block and/or entering into any contracts and/or use or supply to any third party the said natural gas.

On 30th January 2009, the Bombay High Court delivered its interim judgment vacating the ad-interim injunction.

Bombay High Court delivered final judgment in the matter on 15th June 2009 with a direction to the parties that within one month from the date of pronouncement of this judgment and order the parties should enter into a "suitable arrangement" on the basis of quantity, tenure and price as specified and agreed between the parties under the Memorandum of Understanding (MOU) either by renegotiating the terms and conditions of the agreement so as to make it a bankable agreement or revert back to Smt. Kokilaben Dhirubhai Ambani who had reserved her ability to intervene again if the parties fail to act upon the MOU dated 18th June, 2005 and the Anil Ambani Group may opt for a

claim for damages. On failure to arrive at suitable arrangement by entering into an agreement the scheme itself provides for a remedy to the resulting company.

The Order further states that if all the options available to the parties in the MOU and/or Scheme of Demerger approved by the Company Court meet with failure within the stipulated time of one month it will be open for the aggrieved party to approach the Company Court for modification of the Scheme, till then the interim arrangement ordered by the Court at conclusion of the arguments will continue to operate.

The judgment mentioned that RIL will supply 28 MMSCMD of gas for a period of 17 years from the date gas could be supplied to Reliance Energy Limited (REL) for all its projects at a price not more than US$2.34 per million British Thermal Unit (MMBTU).

In the interim judgment given by the court, the stay on supply of gas to various consumers was vacated. Presently, about 28 MMSCMD gas is being produced and supplied to fertilizer and power companies, in consonance with the decisions of the Empowered Group of Ministers (EGOM).

Now, both the parties, RIL and RNRL, have separately challenged the above High Court Order in the Supreme Court.

Gas purchase deal with RIL

964. SHRI N.R. GOVINDARAJAR: Will the Minister of POWER be pleased to state:

(a) whether Government has asked NTPC to sign a gas purchase deal with the Reliance Industries Ltd. (RIL) for their power projects;

(b) if so, the details thereof;

(c) whether NTPC has agreed to buy natural gas from RIL;

(d) if so, the details thereof;

(e) whether Government had allocated 2.67 million cubic metres of gas per day from RIL's KG-D6 field to NTPC; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI BHARATSINH SOLANKI): (a) to (d) No, Sir. Government has not issued any instruction to NTPC for signing of gas purchase deal with RIL.

NTPC invited bids under International Competitive Bidding for procurement of natural gas @ 132 TBtu (Trillion British thermal units) per annum for Kawas-II and Gandhar-II power projects for a period of 17 years. Reliance Industries Limited (RIL) was evaluated as the lowest techno-commercially acceptable bidder and NTPC accepted its offer. Accordingly, a Letter Of Intent (LOI) was issued to RIL on 16.06.2004 which was duly acknowledged and confirmed by RIL. As per the aforesaid contract, RIL is required to supply the gas to NTPC from D6 Block of KG Basin at gas commodity price of US $2.34 per MMBtu (Million Metric British thermal units) (landfall price at Kakinada).